

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1176

AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 24-4.4-2-201, AS ADDED BY P.L.145-2008, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 201. (1) A creditor or mortgage servicer shall provide an accurate payoff amount for a first lien mortgage transaction to the debtor not later than ten (10) calendar days after the creditor or mortgage servicer receives the debtor's written request for the accurate payoff amount. A creditor or mortgage servicer who fails to provide an accurate payoff amount is liable for:

(a) one hundred dollars (\$100) if an accurate payoff amount is not provided by the creditor or mortgage servicer not later than ten (10) calendar days after the creditor or mortgage servicer receives the debtor's first written request; and

(b) the greater of:

(i) one hundred dollars (\$100); or

(ii) the loan finance charge that accrues on the first lien mortgage transaction from the date the creditor or mortgage servicer receives the first written request until the date on which the accurate payoff amount is provided;

if an accurate payoff amount is not provided by the creditor or mortgage servicer not later than ten (10) calendar days after the creditor or mortgage servicer receives the debtor's second written

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request, and the creditor or mortgage servicer fails to comply with subdivision (a).

(2) This subsection applies to a first lien mortgage transaction, or the refinancing or consolidation of a first lien mortgage transaction, that:

(a) is closed after June 30, 2009; and

(b) has an interest rate that is subject to change at one (1) or more times during the term of the first lien mortgage transaction.

A creditor in a transaction to which this subsection applies may not contract for and may not charge the debtor a prepayment fee or penalty.

~~(2)~~ **(3)** This subsection applies to a first lien mortgage transaction with respect to which any installment or minimum payment due is delinquent for at least sixty (60) days. The creditor, servicer, or the creditor's agent shall acknowledge a written offer made in connection with a proposed short sale not later than ten (10) business days after the date of the offer if the offer complies with the requirements for a qualified written request set forth in 12 U.S.C. 2605(e)(1)(B). The creditor, servicer, or creditor's agent is required to acknowledge a written offer made in connection with a proposed short sale from a third party acting on behalf of the debtor only if the debtor has provided written authorization for the creditor, servicer, or creditor's agent to do so. Not later than thirty (30) business days after receipt of an offer under this subsection, the creditor, servicer, or creditor's agent shall respond to the offer with an acceptance or a rejection of the offer. As used in this subsection, "short sale" means a transaction in which the property that is the subject of a first lien mortgage transaction is sold for an amount that is less than the amount of the debtor's outstanding obligation under the first lien mortgage transaction. A creditor or mortgage servicer that fails to respond to an offer within the time prescribed by this subsection is liable in accordance with 12 U.S.C. 2605(f) in any action brought under that section.

SECTION 2. IC 24-5-23.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 23.5. Real Estate Appraisals

Sec. 1. (a) As used in this chapter, "appraisal" means an estimation that:

(1) represents the final opinion of the value of real property that is the subject of a real estate transaction; and

(2) serves as the basis for the extension of credit, in the case of

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a real estate transaction involving the making, refinancing, or consolidation of a mortgage loan.

(b) The term may include any of the following:

- (1) The results of an automated valuation model.
- (2) A broker's price opinion.
- (3) A desktop evaluation.

Sec. 2. As used in this chapter, "appraisal company" means a sole proprietorship, firm, corporation, partnership, limited liability company, limited liability partnership, joint venture, trust, or other business unit or association that:

- (1) performs appraisals on a regular basis for compensation through one (1) or more owners, officers, employees, or agents; or
- (2) holds itself out to the public as performing appraisals.

Sec. 3. (a) As used in this chapter, "creditor" means a person:

- (1) that regularly engages in Indiana in the extension of mortgage loans that are subject to a credit service charge or loan finance charge, as applicable, or are payable by written agreement in more than four (4) installments (not including a down payment); and
- (2) to whom the obligation arising from a mortgage loan is initially payable, either on the face of the note or contract, or by agreement if there is not a note or contract.

(b) The term does not include a person described in:

- (1) IC 24-9-2-6(a)(2) if the person described in IC 24-9-2-6(a)(2) is not the person extending the credit in the transaction; or
- (2) IC 24-9-2-6(b).

Sec. 4. (a) As used in this chapter, "mortgage loan" means a loan in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against an interest in real property in Indiana.

(b) The term includes the following:

- (1) A home loan subject to IC 24-9.
- (2) A loan described in IC 24-9-1-1, to the extent allowed under federal law.
- (3) A first lien mortgage transaction (as defined in IC 24-4.4-1-301(6)) subject to IC 24-4.4.
- (4) A consumer credit sale subject to IC 24-4.5-2 in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against an interest in real property in Indiana.

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(5) A consumer credit loan subject to IC 24-4.5-3 in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against an interest in real property in Indiana.

(6) A loan in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against land:

(A) that is located in Indiana;

(B) upon which there is a dwelling that is not or will not be used by the borrower primarily for personal, family, or household purposes; and

(C) that is classified as residential for property tax purposes.

The term includes a loan that is secured by land in Indiana upon which there is a dwelling that is purchased by or through the borrower for investment or other business purposes.

Sec. 5. As used in this chapter, "real estate appraiser" means a person who prepares the appraisal for a real estate transaction in Indiana, regardless of whether the person is licensed or certified, or required to be licensed or certified, under the real estate appraiser licensure and certification program established under IC 25-34.1-3-8.

Sec. 6. As used in this chapter, "real estate transaction" means a transaction that involves one (1) or both of the following:

(1) The sale or lease of any legal or equitable interest in real estate located in Indiana.

(2) The making, refinancing, or consolidation of a mortgage loan.

Sec. 7. A person shall not corrupt or improperly influence, or attempt to corrupt or improperly influence:

(1) the independent judgment of a real estate appraiser with respect to the value of the real estate that is the subject of a real estate transaction; or

(2) the development, reporting, result, or review of an appraisal prepared in connection with a real estate transaction;

through bribery, coercion, extortion, intimidation, collusion, or any other manner.

Sec. 8. (a) This subsection applies with respect to a completed application for a mortgage loan that is received by a creditor after December 31, 2009. A creditor shall, not later than three (3) business days after receiving a completed written application for

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a mortgage loan from a borrower or prospective borrower, provide to the borrower or prospective borrower a notice, on a form prescribed by the homeowner protection unit under subsection (b), that includes the following:

(1) Contact information for the homeowner protection unit established by the attorney general under IC 4-6-12, including:

(A) an electronic mail address for the homeowner protection unit; and

(B) the toll free telephone number described in IC 4-6-12-3.5.

(2) A statement that the borrower or prospective borrower may contact the homeowner protection unit to report:

(A) a suspected violation of section 7 of this chapter; or

(B) other information about suspected fraudulent residential real estate transactions, as authorized by IC 4-6-12-3.5(b).

(3) A statement that the borrower in a real estate transaction that involves the making, refinancing, or consolidation of a mortgage loan has the right to inspect the HUD-1 or HUD-1A settlement statement during the business day immediately preceding settlement, as provided by the federal Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.), as amended.

The creditor shall provide the notice required by this subsection by delivering it to the borrower or prospective borrower or placing it in the United States mail to the borrower or prospective borrower within the time prescribed by this subsection.

(b) Not later than September 1, 2009, the home owner protection unit established by the attorney general under IC 4-6-12 shall prescribe the form required under subsection (a) for use by creditors who receive completed written applications for mortgage loans after December 31, 2009.

(c) The homeowner protection unit established by the attorney general under IC 4-6-12, in cooperation with the real estate appraiser licensure and certification board created by IC 25-34.1-8-1, shall publicize and promote awareness of the availability of the:

(1) electronic mail address; and

(2) toll free telephone number;

described in subsection (a)(1) to accept complaints from real estate appraisers, creditors, borrowers, potential borrowers, and other

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persons concerning suspected violations of section 7 of this chapter.

(d) A creditor may share any information obtained concerning a suspected violation of section 7 of this chapter with the homeowner protection unit established by the attorney general under IC 4-6-12. The homeowner protection unit may, in turn, share any information received from a creditor under this subsection with the following:

(1) Federal, state, and local law enforcement agencies and federal regulatory agencies in accordance with IC 4-6-12-3(a)(4).

(2) Any entity listed in IC 4-6-12-4 that may have jurisdiction over any person who is suspected of violating section 7 of this chapter, including any entity that may have jurisdiction over the creditor or an agent of the creditor if the homeowner protection unit suspects that the creditor or an agent of the creditor has violated section 7 of this chapter. However, the homeowner protection unit and any entity listed in IC 4-6-12-4 that receives information under this subdivision shall treat the information, including information concerning the identity of the complainant, as confidential and shall exercise all necessary caution to avoid disclosure of the information, except as otherwise permitted or required by law.

(e) Any:

(1) real estate appraiser, creditor, borrower, potential borrower, or other person that makes, in good faith, a voluntarily disclosure of a suspected violation of section 7 of this chapter to the homeowner protection unit under this section or otherwise; and

(2) director, officer, manager, employee, or agent of a person described in subdivision (1) who makes, or requires another person to make, a disclosure described in subdivision (1);

is not liable to any person under any law or regulation of the United States, under any constitution, law, or regulation of any state or a political subdivision of any state, or under any contract or other legally enforceable agreement, including an arbitration agreement, for a disclosure described in subdivision (1) or for failing to provide notice of a disclosure described in subdivision (1) to any person who is the subject of the disclosure.

(f) Beginning in 2009, the report provided by the mortgage lending and fraud prevention task force to the legislative council under P.L.145-2008, SECTION 35, must include the following

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information:

- (1) The total number of complaints or reports:
 - (A) received by the homeowner protection unit during the most recent state fiscal year; and
 - (B) concerning a suspected violation of section 7 of this chapter.
- (2) From the total number of complaints or reports reported under subdivision (1), a breakdown of the sources of the complaints or reports, classified according to the complainants' interest in or relationship to the real estate transactions upon which the complaints or reports are based.
- (3) A description of any:
 - (A) disciplinary or enforcement actions taken; or
 - (B) criminal prosecutions pursued;
 by the homeowner protection unit or any entity listed in IC 4-6-12-4 and having jurisdiction in the matter, as applicable, in connection with the complaints or reports reported under subdivision (1).

The homeowner protection unit shall make available to the mortgage lending and fraud prevention task force any information necessary to provide the information required under this subsection in the task force's report to the legislative council.

Sec. 9. (a) A person that knowingly or intentionally violates section 7 of this chapter commits:

- (1) a Class A misdemeanor; and
- (2) an act that is:
 - (A) actionable by the attorney general under IC 24-5-0.5; and
 - (B) subject to the penalties listed in IC 24-5-0.5.

(b) The attorney general may maintain an action in the name of the state of Indiana to enjoin a person from violating section 7 of this chapter. A court in which the action is brought may:

- (1) issue an injunction;
- (2) order the person to make restitution;
- (3) order the person to reimburse the state for the attorney general's reasonable costs of investigating and prosecuting the violation; and
- (4) impose a civil penalty of not more than ten thousand dollars (\$10,000) per violation.

(c) A person that violates an injunction issued under this section is subject to a civil penalty of not more than ten thousand dollars (\$10,000) per violation. The court that issues the injunction retains

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jurisdiction over a proceeding seeking the imposition of a civil penalty under this subsection.

(d) A civil penalty imposed and collected under this section shall be deposited in the investigative fund established by IC 25-34.1-8-7.5.

(e) The enforcement procedures established by this section are cumulative and an enforcement procedure available under this section is supplemental to any other enforcement procedure available under:

(1) this section; or

(2) any other state or federal law, rule, or regulation;

for a violation of section 7 of this chapter.

SECTION 3. IC 24-5.5-5-7.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.2. A foreclosure consultant shall retain all records and documents, including the foreclosure consultant contract, related to services performed on behalf of a homeowner for at least three (3) years after the termination or conclusion of the foreclosure consultant contract entered into by the foreclosure consultant and the homeowner.**

SECTION 4. IC 24-9-1-1, AS AMENDED BY P.L.181-2006, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. Except for ~~IC 24-9-3-7(3)~~ **IC 24-9-3-7(c)(3) and IC 24-9-3-7(c)(4)**, this article does not apply to:

(1) a loan made or acquired by a person organized or chartered under the laws of this state, any other state, or the United States relating to banks, trust companies, savings associations, savings banks, credit unions, or industrial loan and investment companies; or

(2) a loan:

(A) that can be purchased by the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, or the Federal Home Loan Bank;

(B) to be insured by the United States Department of Housing and Urban Development;

(C) to be guaranteed by the United States Department of Veterans Affairs;

(D) to be made or guaranteed by the United States Department of Agriculture Rural Housing Service;

(E) to be funded by the Indiana housing and community development authority; or

(F) with a principal amount that exceeds the conforming loan

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size limit for a single family dwelling as established by the Federal National Mortgage Association.

SECTION 5. IC 24-9-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. (a) Except as provided in subsection (b), "points and fees" means the total of the following:

- (1) Points and fees (as defined in 12 CFR 226.32(b)(1) on January 1, 2004).
- (2) All compensation paid directly or indirectly to a mortgage broker, including a broker that originates a loan in the broker's own name.

As used in subdivision (2), "compensation" does not include a payment included in subdivision (1).

(b) The term does not include the following:

- (1) Bona fide discount points.
- (2) An amount not to exceed one and one-half (1 1/2) points in indirect broker compensation, if the terms of the loan do not include:

(A) a prepayment penalty, in the case of a home loan described in IC 24-9-3-6(b); or

(B) a prepayment penalty that exceeds two percent (2%) of the home loan ~~principle~~; principal, in the case of a home loan other than a home loan described in IC 24-9-3-6(b).

- (3) Reasonable fees paid to an affiliate of the creditor.
- (4) Interest prepaid by the borrower for the month in which the home loan is closed.

SECTION 6. IC 24-9-3-6, AS AMENDED BY P.L.145-2008, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) A creditor may not charge a fee for informing or transmitting to a person the balance due to pay off a home loan or to provide a written release upon prepayment. A creditor must provide a payoff balance not later than ten (10) calendar days after the request is received by the creditor. For purposes of this subsection, "fee" does not include actual charges incurred by a creditor for express or priority delivery of home loan documents to the borrower if such delivery is requested by the borrower.

(b) This subsection applies to a home loan, or the refinancing or consolidation of a home loan, that:

- (1) is closed after June 30, 2009; and**
- (2) has an interest rate that is subject to change at one (1) or more times during the term of the home loan.**

A creditor in a transaction to which this subsection applies may not

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contract for and may not charge the borrower a prepayment fee or penalty.

~~(b)~~ (c) This subsection applies to a home loan with respect to which any installment or minimum payment due is delinquent for at least sixty (60) days. The creditor, servicer, or the creditor's agent shall acknowledge a written offer made in connection with a proposed short sale not later than ten (10) business days after the date of the offer if the offer complies with the requirements for a qualified written request set forth in 12 U.S.C. 2605(e)(1)(B). The creditor, servicer, or creditor's agent is required to acknowledge a written offer made in connection with a proposed short sale from a third party acting on behalf of the debtor only if the debtor has provided written authorization for the creditor, servicer, or creditor's agent to do so. Not later than thirty (30) business days after receipt of an offer under this subsection, the creditor, servicer, or creditor's agent shall respond to the offer with an acceptance or a rejection of the offer. As used in this subsection, "short sale" means a transaction in which the property that is the subject of a home loan is sold for an amount that is less than the amount of the borrower's outstanding obligation on the home loan. A creditor, a servicer, or a creditor's agent that fails to respond to an offer within the time prescribed by this subsection is liable in accordance with 12 U.S.C. 2605(f) in any action brought under that section.

SECTION 7. IC 24-9-3-7, AS AMENDED BY P.L.141-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) As used in this section, "mortgage transaction" includes the following:

- (1) A home loan subject to this article.
- (2) A loan described in IC 24-9-1-1.
- (3) A first lien mortgage transaction (as defined in IC 24-4.4-1-301) subject to IC 24-4.4.
- (4) A consumer credit sale subject to IC 24-4.5-2 in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against land upon which there is a dwelling that is or will be used by the debtor primarily for personal, family, or household purposes.
- (5) A consumer credit loan subject to IC 24-4.5-3 in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against land upon which there is a dwelling that is or will be used by the debtor primarily for personal, family, or household purposes.
- (6) A loan in which a mortgage, deed of trust, or land contract that constitutes a lien is created or retained against land:

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- (A) that is located in Indiana;
- (B) upon which there is a dwelling that is not or will not be used by the borrower primarily for personal, family, or household purposes; and
- (C) that is classified as residential for property tax purposes.

The term includes a loan that is secured by land in Indiana upon which there is a dwelling that is purchased by or through the borrower for investment or other business purposes.

(b) As used in this section, "real estate transaction" means the sale or lease of any legal or equitable interest in real estate:

- (1) that is located in Indiana;
- (2) upon which there is a dwelling; and
- (3) that is classified as residential for property tax purposes.

(c) A person may not:

- (1) divide a loan transaction into separate parts with the intent of evading a provision of this article;
- (2) structure a home loan transaction as an open-end loan with the intent of evading the provisions of this article if the loan would be a high cost home loan if the home loan had been structured as a closed-end loan; or
- (3) engage in, ~~a deceptive act in connection with a:~~ (A) home loan; or (B) loan described in IC 24-9-1-1; or solicit to engage in, a real estate transaction or a mortgage transaction without a permit or license required by law; or

(4) with respect to a real estate transaction or a mortgage transaction, represent that:

- (A) the transaction has the sponsorship or approval of a particular person or entity that it does not have and that the person knows or reasonably should know it does not have; or
- (B) the real estate or property that is the subject of the transaction has any improvements, appurtenances, uses, characteristics, or associated benefits that it does not have and that the person knows or reasonably should know it does not have.

SECTION 8. IC 24-9-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. A person seeking to enforce section ~~7(3)~~ 7(c)(3) or 7(c)(4) of this chapter may not knowingly or intentionally intimidate, coerce, or harass another person.

SECTION 9. IC 24-9-4-1 IS AMENDED TO READ AS FOLLOWS



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[EFFECTIVE JULY 1, 2009]: Sec. 1. The following additional limitations and prohibited practices apply to a high cost home loan:

(1) A creditor making a high cost home loan may not directly or indirectly finance any points and fees.

(2) **This subdivision does not apply to a high cost home loan described in IC 24-9-3-6(b).** Prepayment fees or penalties may not be included in the loan documents for a high cost home loan or charged to the borrower if the fees or penalties exceed in total two percent (2%) of the high cost home loan amount prepaid during the first twenty-four (24) months after the high cost home loan closing.

(3) **This subdivision does not apply to a high cost home loan described in IC 24-9-3-6(b).** A prepayment penalty may not be contracted for after the second year following the high cost home loan closing.

(4) **This subdivision does not apply to a high cost home loan described in IC 24-9-3-6(b).** A creditor may not include a prepayment penalty fee in a high cost home loan unless the creditor offers the borrower the option of choosing a loan product without a prepayment fee. The terms of the offer must be made in writing and must be initialed by the borrower. The document containing the offer must be clearly labeled in large bold type and must include the following disclosure:

"LOAN PRODUCT CHOICE

I was provided with an offer to accept a product both with and without a prepayment penalty provision. I have chosen to accept the product with a prepayment penalty."

(5) A creditor shall not sell or otherwise assign a high cost home loan without furnishing the following statement to the purchaser or assignee:

"NOTICE: This is a loan subject to special rules under IC 24-9. Purchasers or assignees may be liable for all claims and defenses with respect to the loan that the borrower could assert against the lender."

(6) A mortgage or deed of trust that secures a high cost home loan at the time the mortgage or deed of trust is recorded must prominently display the following on the face of the instrument:

"This instrument secures a high cost home loan as defined in IC 24-9-2-8."

(7) A creditor making a high cost home loan may not finance, directly or indirectly, any life or health insurance.

SECTION 10. IC 25-1-11-17 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. **(a) Except as provided in subsection (b),** a practitioner may petition the board to accept the surrender of the practitioner's license instead of having a hearing before the board. The practitioner may not surrender the practitioner's license without the written approval of the board, and the board may impose any conditions appropriate to the surrender or reinstatement of a surrendered license.

(b) The board may not approve the surrender of a practitioner's license under subsection (a) if the office of the attorney general:

- (1) has filed an administrative complaint concerning the practitioner's license; and**
- (2) opposes the surrender of the practitioner's license.**

SECTION 11. IC 25-1-11-18, AS AMENDED BY P.L.194-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. A practitioner who has been subjected to disciplinary sanctions may be required by a board to pay the costs of the proceeding. The practitioner's ability to pay shall be considered when costs are assessed. If the practitioner fails to pay the costs, a suspension may not be imposed solely upon the practitioner's inability to pay the amount assessed. These costs are limited to costs for the following:

- (1) Court reporters.
- (2) Transcripts.
- (3) Certification of documents.
- (4) Photo duplication.
- (5) Witness attendance and mileage fees.
- (6) Postage.
- (7) Expert witnesses.
- (8) Depositions.
- (9) Notarizations.
- (10) Administrative law judges.

(11) Real estate review appraisals, if applicable.

SECTION 12. IC 25-34.1-6-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2.5. **(a) A violation of:**

- (1) IC 24-5-15; or**
- (2) IC 24-5.5;**

by a person licensed or required to be licensed under this article is a violation of this article.

(b) A person who commits a violation described in subsection (a) commits a Class A infraction and is subject to:

- (1) the enforcement procedures described in section 2 of this**

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chapter; and

(2) any sanction that may be imposed by the commission under IC 25-1-11-12 for an act described in IC 25-1-11-11.

SECTION 13. IC 25-34.1-8-7.5, AS AMENDED BY P.L.57-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7.5. (a) The investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against real estate fraud and real estate appraisal fraud. The fund shall be administered by the attorney general and the professional licensing agency.

(b) The expenses of administering the fund shall be paid from the money in the fund. The fund consists of:

(1) money from a fee imposed upon licensed or certified appraisers and real estate brokers and salespersons under IC 25-34.1-2-7 and IC 25-34.1-3-9.5; and

(2) civil penalties deposited in the fund under IC 24-5-23.5-9(d).

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(d) Except as otherwise provided in this subsection, money in the fund at the end of a state fiscal year does not revert to the state general fund. If the total amount in the investigative fund exceeds seven hundred fifty thousand dollars (\$750,000) at the end of a state fiscal year after payment of all claims and expenses, the amount that exceeds seven hundred fifty thousand dollars (\$750,000) reverts to the state general fund.

(e) Money in the fund is continually appropriated for use by the attorney general and the licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against real estate and appraisal fraud under this article. The attorney general shall receive five dollars (\$5) of each fee collected under IC 25-34.1-2-7 and IC 25-34.1-3-9.5, and the licensing agency shall receive any amount that exceeds five dollars (\$5) of each fee collected under IC 25-34.1-2-7 and IC 25-34.1-3-9.5.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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